

(e) The permittee shall perform operations and maintain equipment in a safe and workmanlike manner. The permittee shall take all reasonable precautions necessary to provide adequate protection for the health and safety of life and the protection of property and to comply with any health and safety requirements prescribed by the Regional Director.

§ 37.13 Group participation.

(a) To avoid unnecessary duplication of exploratory activities, the permittee shall, if ordered by the Regional Director, afford all interested persons, through a signed agreement, an opportunity to participate in its exploratory activities. Within 60 days following such order, the permittee shall provide evidence satisfactory to the Regional Director of its compliance therewith. The permittee shall provide the Regional Director with the names and addresses of all additional participants, as they join.

(b) If, with the approval of the Regional Director, the permittee at any time changes any provisions of its approved exploration plan relating to areal extent, intensity of exploratory activities, or logistical support, and the Regional Director determines such changes to be significant, the Regional Director may require the permittee to afford all interested persons another opportunity to participate in the permitted exploratory activities in accordance with paragraph (a) of this section.

(c) The requirements of this section do not preclude the permittee from initiating field operations as authorized under its special use permit.

(d) All participants shall be bound by the regulations of this part, the permittee's special use permit, approved exploration plan and plan of operation and any reasonable stipulations, demands and orders issued by the Regional Director.

§ 37.14 Bonding.

(a) Before the issuance of its special use permit, any applicant whose exploration plan has been approved under § 37.22 shall furnish to the Service a surety bond of not less than \$100,000, or other security satisfactory to the Service,

to secure performance of its exploration plan and plan(s) of operation and compliance with the permit and this part. Such surety bond shall be issued by qualified surety companies approved by the Department of the Treasury (see Department of the Treasury Circular No. 570). Such bond shall be maintained by the permittee for the benefit of the Service until the Regional Director notifies the permittee in writing that all terms and conditions of its exploration plan, special use permit, plan of operation, and this part have been met or otherwise consents to its cancellation or termination. Any bond furnished or maintained by a person under this section shall be on a form approved or prescribed by the Regional Director. The Regional Director may require an increase in the amount of any bond or other security to be furnished and any outstanding bond or security or require a new bond or security whenever additional coverage is needed to secure performance of its exploration plan and plan(s) of operation and compliance with the permit and this part or is needed as a consequence of default.

(b) Whenever a permittee's exploration plan, plan of operation, or special use permit is revised or modified, the permittee shall provide to the Regional Director within 30 days thereafter an acknowledgement by the surety that its bond continues to apply to the exploration plan, plan of operation or special use permit, as revised or modified, unless a waiver of notice to the surety is contained in the bond or the surety is not otherwise released by the revision or modification, or unless the permittee provides to the Service an increased or additional bond.

(c) Recovery of the amount specified in the permittee's bond or other security shall not preclude the Department from seeking specific performance by the permittee of any obligations not satisfied by enforcement of the bond or security, or compensation for any damages, losses or costs due to the permittee's activities which exceed the amount recovered, by pursuing the Department's legal remedies.